

105TH CONGRESS
2D SESSION

H. R. 4156

To limit the disposal of former naval vessels and Maritime Administration vessels for purpose of scrapping abroad and to require the Secretary of the Navy to carry out a ship scrapping pilot program.

IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 1998

Mr. ALLEN introduced the following bill; which was referred to the Committee on National Security, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To limit the disposal of former naval vessels and Maritime Administration vessels for purpose of scrapping abroad and to require the Secretary of the Navy to carry out a ship scrapping pilot program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LIMITATION ON DISPOSAL OF FORMER NAVAL**
4 **VESSELS AND MARITIME ADMINISTRATION**
5 **VESSELS FOR SCRAPPING ABROAD.**

6 (a) LIMITATION.—Except as provided in subsection
7 (b), the Secretary concerned may not dispose of a vessel

1 under the jurisdiction of that Secretary that is otherwise
2 available for disposal if the disposal will result in the
3 scrapping of the vessel outside the United States.

4 (b) EXCEPTION.—The prohibition in subsection (a)
5 does not apply in the case of a particular vessel if—

6 (1) the Administrator of the Environmental
7 Protection Agency certifies to Congress and the Sec-
8 retary concerned that the environmental standards
9 imposed by law and enforced in the country in which
10 the vessel is to be scrapped are similar to the envi-
11 ronmental standards imposed under United States
12 law; and

13 (2) the Secretary of Labor certifies to Congress
14 and the Secretary concerned that the country in
15 which the vessel is to be scrapped recognizes inter-
16 nationally recognized worker rights (as that term is
17 defined in section 507(4) of the Trade Act of 1974
18 (19 U.S.C. 2467(4)).

19 (c) COVERED SECRETARIES.—For the purposes of
20 this section, the term “Secretary concerned” means—

21 (1) the Secretary of the Navy, in the case of
22 vessels under the jurisdiction of the Secretary of the
23 Navy; and

1 (2) the Secretary of Transportation, in the case
2 of vessels under the jurisdiction of the Maritime Ad-
3 ministration.

4 (d) SCRAPPING.—For the purposes of this section,
5 the term “scrapping”, with respect to a vessel, includes
6 dismantling the vessel and breaking up the vessel.

7 **SEC. 2. NAVY SHIP SCRAPPING PILOT PROGRAM.**

8 (a) IN GENERAL.—(1) During fiscal years 1999 and
9 2000, the Secretary of the Navy shall carry out a pilot
10 program—

11 (A) to gather data on the cost of scrapping
12 United States vessels at locations within the United
13 States; and

14 (B) to demonstrate cost effective technologies
15 and techniques to scrap such vessels in a manner
16 that is protective of worker safety and health and
17 the environment.

18 (2) The Secretary, in carrying out the pilot program,
19 shall provide for the scrapping at locations within the
20 United States of vessels in such number or tonnage as
21 the Secretary determines to be sufficient for the purposes
22 of the pilot program specified in subparagraphs (A) and
23 (B) of paragraph (1).

24 (b) CONTRACT AWARD.—(1) In selecting the contrac-
25 tor for any contract under the pilot program for the scrap-

1 ping of a vessel, the Secretary shall award the contract
2 to the offeror that the Secretary determines will provide
3 the best value to the United States, taking into account
4 such factors as the Secretary considers appropriate.

5 (2) In making a best value determination under this
6 subsection, the Secretary shall give a greater weight to
7 technical and performance-related factors than to cost and
8 price-related factors.

9 (3) In evaluating an offer for such a contract, the
10 Secretary shall give significant weight to the technical
11 qualifications and past performance of the offeror, and the
12 major subcontractors or team members of the offeror, in
13 the following areas:

14 (A) Compliance with applicable Federal, State,
15 and local laws and regulations for environmental and
16 worker protection.

17 (B) Ability to safely remove, handle, and abate
18 hazardous materials such as polychlorinated
19 biphenyls, asbestos, and lead.

20 (C) Experience with ship construction, conver-
21 sion, repair, or scrapping.

22 (D) Ability to manage workers safely in the fol-
23 lowing processes and procedures:

24 (i) Metal cutting and heating.

1 (ii) Working in confined and enclosed
2 spaces.

3 (iii) Fire prevention and protection.

4 (iv) Health and sanitation.

5 (v) Handling and control of polychlorinated
6 biphenyls, asbestos, lead, and other hazardous
7 materials.

8 (vi) Operation and use of magnetic cranes
9 or heavy lift cranes.

10 (vii) Use of personal protection equipment.

11 (viii) Emergency spill and containment ca-
12 pability.

13 (E) Ability to provide an overall plan and
14 schedule to remove, tow, moor, demilitarize, disman-
15 tle, transport, and sell salvage materials and scrap
16 in a safe and cost effective manner in compliance
17 with applicable Federal, State, and local laws and
18 regulations.

19 (F) Ability to provide an effective scrap site
20 spill containment prevention and emergency response
21 plan.

22 (G) Ability to ensure that subcontractors ad-
23 here to applicable Federal, State and local laws and
24 regulations for environmental and worker safety.

1 (4) Nothing in this subsection shall be construed to
2 require the Secretary to disclose the specific weight of
3 evaluation factors to potential offerors or to the public.

4 (c) CONTRACT TERMS AND CONDITIONS.—Any con-
5 tract awarded by the Secretary for the scrapping of a ves-
6 sel for the purposes of the pilot program shall provide for
7 the following:

8 (1) The transfer of the vessel to the contractor.

9 (2) The sharing (by any appropriate contract-
10 ing method) of the costs of scrapping the vessel be-
11 tween the Government and the contractor.

12 (3) A performance incentive to the contractor
13 for a successful record of environmental and worker
14 protection under the contract.

15 (4) Access by the United States to records of
16 the contractor in accordance with the requirements
17 of section 2313 of title 10, United States Code.

18 (d) REPORTS.—(1) Not later than September 30,
19 1999, the Secretary of the Navy shall submit to the Com-
20 mittee on Armed Services of the Senate and the Commit-
21 tee on National Security of the House of Representatives
22 an interim report on the pilot program. That report shall
23 include the following:

24 (A) The procedures used for the solicitation and
25 award of each contract awarded under the program.

1 (B) A description of each contract awarded
2 under the program.

3 (2) Not later than September 30, 2000, the Secretary
4 of the Navy shall submit to those committees a final report
5 on the pilot program. That report shall include the follow-
6 ing:

7 (A) The results of the program and the per-
8 formance of each contractor under the program.

9 (B) The procurement strategy of the Secretary
10 for future ship scrapping activities.

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